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New Mexico Labor Market Review

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New Mexico Department of LABOR

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This issue introduces a new labor force estimating methodology (see page 12) in addition to our usual annual benchmark revisions of both the labor force and nonagricultural industry employment data series. The nonagricultural data incorporates more recent payroll reports from employers covered under unemployment compensation programs. The labor force data reflects the revised nonagricultural employment estimates, along with the new estimating methodology. Labor force estimates are revised back through 1980, and nonagricultural employment estimates are revised through 1985. Included on page 10 of this issue are revised 1988 labor force estimates for statewide New Mexico and the Albuquerque area. 1988 annual average labor force data for all areas within New Mexico appear on page 11. Data tables containing the revised labor force and nonagricultural employment estimates are available at no charge by returning the order form on the back page of this newsletter.

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Total employment in New Mexico experienced its usual decrease in January, largely due to normal seasonal job declines in sectors such as construction and trade. However, Secretary Paul M. Garcia indicated that January 1989 employment estimates show an increase of 8,200 over January 1988. A similar pattern is apparent in unemployment estimates, with the unemployment rate increasing from 6.4 percent in December 1988 to 7.1 percent in January. In contrast, unemployment has dropped by 8,500 from January 1988 to January 1989. The national unemployment rate (not seasonally adjusted) increased from 5.0 percent in December 1988 to 6.0 percent in January 1989, while the rate one year ago in January was 6.3 percent. Both the New Mexico and national unemployment rates have shown improvement over the last twelve months, although the New Mexico rate is still over one full point higher. The spread between New Mexico and U.S. rates continues to lessen since last January when the spread was 2.1 percentage points.

Total nonagricultural payroll employment, based on a monthly survey of employers in New Mexico, declined by 10,600 between December 1988 and January 1989. Construction lost 1,900 jobs in January, which compares favorably to last year's decline of 3,400 during the same time period. A fairly typical seasonal decline occurred in trade, as

(Continued on Page 13)

	Prel.	Revised		Change From	
	Jan. 1989	Dec. 1988	Jan. 1988	Dec. 1988	Jan. 1988
Civilian Labor Force	673,100	680,300	673,400	-7,200	- 300
Employment	625,200	637,000	617,000	-11,800	+8,200
Unemployment	47,900	43,300	56,400	+4,600	-8,500
Rate	7.1%	6.4%	8.4%		

ESTIMATED NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT (JOBS)
(Prepared in cooperation with the U.S. Bureau of Labor Statistics)

NEW MEXICO	PRELIM JAN 1989	REVISED DEC 1988	REVISED JAN 1988	JAN CHANGE FROM DEC 1988	JAN CHANGE FROM JAN 1988
TOTAL NONAGRICULTURAL EMPLOYMENT 1/	539,000	549,600	525,500	-10,600	13,500
MINING	15,300	15,600	15,300	-300	0
Metal Mining	2,000	2,000	1,900	0	100
Bituminous Coal, Quarrying etc	4,000	4,000	4,000	0	0
Oil & Gas Extraction	9,300	9,600	9,400	-300	-100
CONSTRUCTION	27,800	29,700	28,200	-1,900	-400
MANUFACTURING	40,000	40,400	38,800	-400	1,200
DURABLE GOODS	27,200	27,300	26,300	-100	900
Lumber & Wood Products	2,400	2,400	2,400	0	0
Machinery(except electric)	2,700	2,700	2,600	0	100
Elec & Electronic Equip	5,600	5,600	5,200	0	400
Transportation Equipment	5,400	5,400	4,900	0	500
Other Durable Goods	11,100	11,200	11,200	-100	-100
NONDURABLE GOODS	12,800	13,100	12,500	-300	300
Food & Kindred Products	3,700	3,900	3,600	-200	100
Textile & Apparel	2,600	2,600	2,600	0	0
Other Nondurable Goods	6,500	6,600	6,300	-100	200
TRANSPORTATION & PUBLIC UTILITIES	28,200	28,900	28,900	-700	-700
TRANSPORTATION	13,400	14,000	13,400	-600	0
Railroad Transportation	1,900	1,900	2,100	0	-200
Trucking & Warehousing	6,600	7,100	6,500	-500	100
Other Transportation	4,900	5,000	4,800	-100	100
COMMUNICATION & PUBLIC UTILITIES	14,800	14,900	15,500	-100	-700
Communication	6,600	6,600	6,600	0	0
Elec, Gas, & Sanitary Services	8,200	8,300	8,900	-100	-700
WHOLESALE & RETAIL TRADE	131,500	135,600	126,000	-4,100	5,500
WHOLESALE TRADE	23,100	23,400	22,900	-300	200
Durable Goods	13,300	13,400	13,200	-100	100
Nondurable Goods	9,800	10,000	9,700	-200	100
RETAIL TRADE	108,400	112,200	103,100	-3,800	5,300
Bldg Material & Mobile Homes	4,100	4,200	4,000	-100	100
General Merchandise Stores	12,700	13,700	12,300	-1,000	400
Food Stores	15,300	15,300	14,200	0	1,100
Auto Dealers & Service Stations	13,700	13,900	13,200	-200	500
Apparel & Accessories	5,700	6,300	5,600	-600	100
Furniture & Furnishing	4,400	4,600	4,400	-200	0
Eating & Drinking Places	40,300	41,400	37,800	-1,100	2,500
Miscellaneous Retail	12,200	12,800	11,600	-600	600
FINANCE, INSURANCE, & REAL ESTATE	27,000	27,400	26,500	-400	500
Banking	7,800	7,900	8,100	-100	-300
Insurance Carriers	4,100	4,200	3,900	-100	200
Insur Agents, Brokers & Service	3,000	3,100	2,900	-100	100
Real Estate	6,200	6,300	5,800	-100	400
Other Fin, Ins & Real Estate	5,900	5,900	5,800	0	100
SERVICES	129,800	129,400	123,700	400	6,100
Hotels & Other Lodging Places	11,000	11,200	10,800	-200	200
Personal Services	6,400	6,300	6,100	100	300
Business Services	32,000	32,500	30,300	-500	1,700
Health Services	32,000	32,000	30,900	0	1,100
Legal Services	4,500	4,500	4,300	0	200
Educational Services	5,700	5,900	5,300	-200	400
Social Services	7,800	7,800	7,500	0	300
Membership Organizations	5,900	6,000	6,000	-100	-100
Other Services	24,500	23,200	22,500	1,300	2,000
TOTAL GOVERNMENT	139,400	142,600	138,100	-3,200	1,300
FEDERAL GOVERNMENT	29,800	29,600	29,400	200	400
STATE & LOCAL GOVERNMENT	109,600	113,000	108,700	-3,400	900
State Government 2/	46,700	49,800	47,700	-3,100	-1,000
Local Government	62,900	63,200	61,000	-300	1,900

1/ Estimates include all full-time and part-time wage and salary workers who worked or received pay during the pay period which included the 12th day of the month. Self-employed, family workers, household workers and members of the Armed Forces are excluded.
2/ Includes employees of Los Alamos National Laboratory.

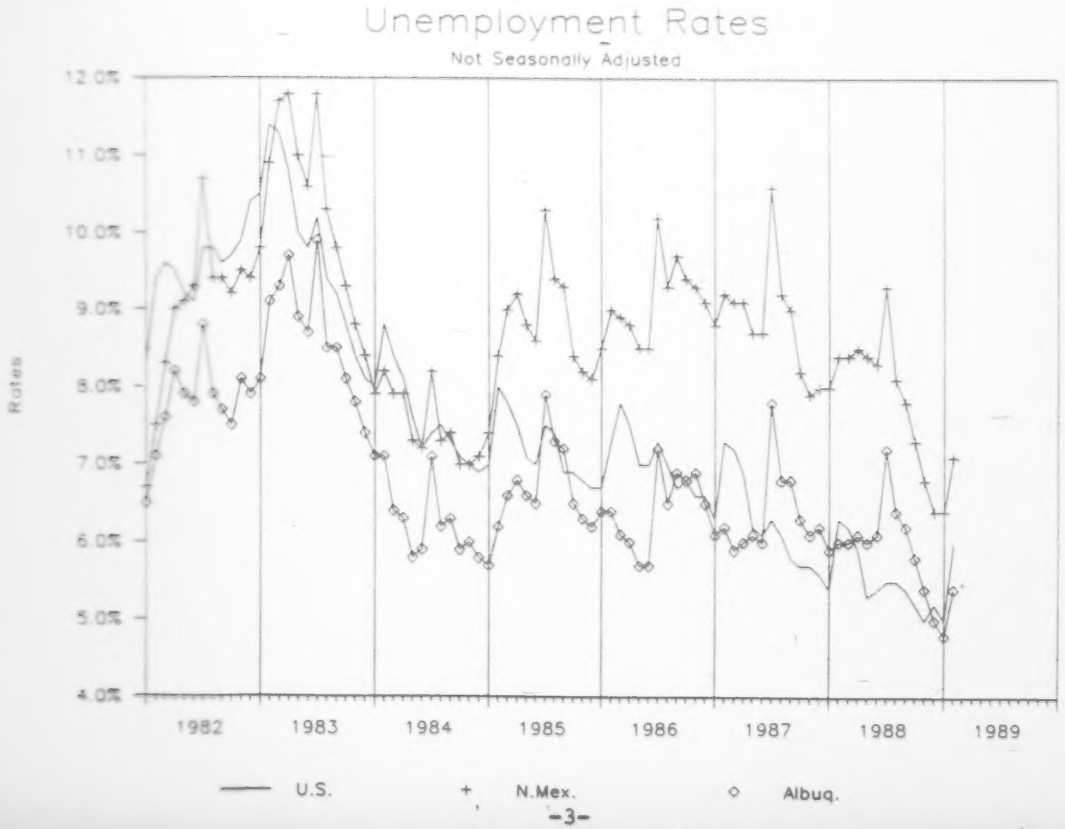
ALBUQUERQUE AREA (BERNALILLO COUNTY)

Albuquerque's unemployment rate is now at 5.4 percent or 6 tenths of a percentage point lower than in January 1988. Although the number of unemployed increased seasonally by almost 1,400 this January, unemployment in Albuquerque was still 1,300 less than one year ago. The employment decline of 6,300 that took place between December 1988 and January 1989 was somewhat smaller than the decline of 6,900 during the same period last year. Additionally, the employment growth of 2,300 between January 1988 and January 1989 demonstrates continued strength.

According to the monthly survey of employers in Albuquerque, the largest job decreases were by about 1,000 in contract construction and by almost 2,200 in trade. Despite this, the level of employment in the construction sector is not significantly different from that of a year ago while employment in trade is 3.7 percent above that of a year ago, a healthy increase of 2,200 jobs. Manufacturing employment showed very little change from December to January while growing by 1.5 percent or 300 jobs from January 1988 to January 1989.

The Albuquerque area unemployment rate of 5.4 percent compares favorably with that prevailing in most other localities in the state - virtually identical to the Santa Fe-Los Alamos rate of 5.3 percent and a full percentage point lower than the Las Cruces area rate of 6.4 percent. Many of the more sparsely populated counties continue to experience unemployment rates far higher than the Albuquerque rate. The strongest employment sectors in Bernalillo County remain trade with an overall increase of 3.7 percent and services with a 3.1 percent increase. These two sectors, and to a lesser degree manufacturing and finance, insurance and real estate, continue to provide the impetus to employment growth in the Albuquerque area.

	Prel.	Revised		Change From	
	Jan. 1989	Dec. 1988	Jan. 1988	Dec. 1988	Jan. 1988
Civilian Labor Force	258,000	262,900	257,000	-4,900	+1,000
Employment	244,000	250,300	241,700	-6,300	+2,300
Unemployment	14,000	12,600	15,300	+1,400	-1,300
Rate	5.4%	4.8%	6.0%		



ESTIMATED NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT (JOBS)
(Prepared in cooperation with the U.S. Bureau of Labor Statistics)

ALBUQUERQUE MSA (BERNALILLO COUNTY)	PRELIM JAN 1989	REVISED DEC 1988	REVISED JAN 1988	JAN CHANGE FROM DEC 1988	JAN CHANGE FROM JAN 1988
TOTAL NONAGRICULTURAL EMPLOYMENT 1/	234,800	239,200	228,700	-4,400	6,100
MINING	100	100	200	0	-100
CONSTRUCTION	13,900	14,900	13,900	-1,000	0
MANUFACTURING	20,400	20,300	20,100	100	300
Durable Goods	14,700	14,600	14,600	100	100
Nondurable Goods	5,700	5,700	5,500	0	200
TRANSPORTATION & PUBLIC UTILITIES	12,500	12,700	12,500	-200	0
Transportation	6,800	7,000	6,400	-200	400
Communication	3,600	3,600	3,700	0	-100
Elec, Gas, & Sanitary Services	2,100	2,100	2,400	0	-300
WHOLESALE & RETAIL TRADE	61,000	63,000	58,800	-2,000	2,200
WHOLESALE TRADE	14,200	14,400	14,300	-200	-100
Durable Goods	9,400	9,500	9,400	-100	0
Nondurable Goods	4,800	4,900	4,900	-100	-100
RETAIL TRADE	46,800	48,600	44,500	-1,800	2,300
General Merchandise Stores	5,200	5,600	5,000	-400	200
Food Stores	5,400	5,500	4,800	-100	600
Auto Dealers & Service Stations	5,000	5,000	4,800	0	200
Eating & Drinking Places	18,100	18,800	17,100	-700	1,000
Other Retail Trade	13,100	13,700	12,800	-600	300
FINANCE, INSURANCE, & REAL ESTATE	15,000	15,100	14,600	-100	400
Banking	3,300	3,300	3,300	0	0
Ins Carriers, Agents & Brokers	4,600	4,600	4,400	0	200
Other Fin, Ins & Real Estate	7,100	7,200	6,900	-100	200
SERVICES	66,000	66,300	64,000	-300	2,000
Hotels & Other Lodging Places	3,500	3,600	3,500	-100	0
Personal Services	3,300	3,000	3,100	300	200
Business Services	21,900	22,500	21,200	-600	700
Health Services	15,000	15,100	14,700	-100	300
Social Services	3,300	3,200	3,100	100	200
Membership Organizations	1,900	2,000	1,900	-100	0
Other Services	17,100	16,900	16,500	200	600
TOTAL GOVERNMENT	45,900	46,800	44,600	-900	1,300
FEDERAL GOVERNMENT	13,200	13,100	13,000	100	200
STATE & LOCAL GOVERNMENT	32,700	33,700	31,600	-1,000	1,100
State Government	11,400	12,300	11,200	-900	200
Local Government	21,300	21,400	20,400	-100	900

1/ Estimates include all full-time and part-time wage and salary workers who worked or received pay during the pay period which included the 12th day of the month. Self-employed, family workers, household workers and members of the Armed Forces are excluded.

ESTIMATED NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT (JOBS)
(Prepared in cooperation with the U.S. Bureau of Labor Statistics)

LAS CRUCES MSA (DONA ANA COUNTY) 1/	PRELIM JAN 1989	REVISED DEC 1988	REVISED JAN 1988	JAN CHANGE FROM DEC 1988	JAN CHANGE FROM JAN 1988
TOTAL NONAGRICULTURAL EMPLOYMENT 2/	40,700	41,650	39,750	-950	950
MINING	50	50	50	0	0
CONSTRUCTION	2,100	2,100	2,000	0	100
MANUFACTURING	3,600	3,650	3,700	-50	-100
Durable Goods	1,500	1,550	1,700	-50	-200
Nondurable Goods	2,100	2,100	2,000	0	100
TRANSPORTATION & PUBLIC UTILITIES	1,400	1,400	1,400	0	0
Transportation	500	500	600	0	-100
Comm, Elec, Gas & Sanitary Svs	900	900	800	0	100
WHOLESALE & RETAIL TRADE	8,900	9,150	8,350	-250	550
WHOLESALE TRADE	1,000	1,000	900	0	100
RETAIL TRADE	7,900	8,150	7,450	-250	450
General Merchandise Stores	900	950	900	-50	0
Food Stores	1,150	1,150	1,050	0	100
Auto Dealers & Service Stations	1,050	1,050	950	0	100
Eating & Drinking Places	3,000	3,100	2,900	-100	100
Other Retail Trade	1,800	1,900	1,650	-100	150
FINANCE, INSURANCE, & REAL ESTATE	1,700	1,750	1,650	-50	50
SERVICES	6,650	6,750	6,300	-100	350
Hotels & Other Lodging Places	650	700	650	-50	0
Business Services	1,400	1,400	1,250	0	150
Health Services	1,750	1,750	1,750	0	0
Social Services	250	300	250	-50	0
Other Services	2,600	2,600	2,400	0	200
TOTAL GOVERNMENT	16,300	16,800	16,300	-500	0
FEDERAL GOVERNMENT	4,300	4,200	4,200	100	100
STATE & LOCAL GOVERNMENT	12,000	12,600	12,100	-600	-100
State Government	6,300	7,000	6,600	-700	-300
Local Government	5,700	5,600	5,500	100	200

SANTA FE MSA (SANTA FE & LOS ALAMOS COUNTIES) 1/	PRELIM JAN 1989	REVISED DEC 1988	REVISED JAN 1988	JAN CHANGE FROM DEC 1988	JAN CHANGE FROM JAN 1988
TOTAL NONAGRICULTURAL EMPLOYMENT 2/	54,550	55,300	53,200	-750	1,350
MINING	100	100	50	0	50
CONSTRUCTION	2,200	2,500	2,300	-300	-100
MANUFACTURING	1,650	1,650	1,550	0	100
Durable Goods	1,050	1,050	950	0	100
Nondurable Goods	600	600	600	0	0
TRANSPORTATION & PUBLIC UTILITIES	1,100	1,150	1,200	-50	-100
Transportation	450	500	450	-50	0
Comm, Elec, Gas & Sanitary Svs	650	650	750	0	-100
WHOLESALE & RETAIL TRADE	10,900	11,200	10,200	-300	700
WHOLESALE TRADE	850	850	800	0	50
RETAIL TRADE	10,050	10,350	9,400	-300	650
General Merchandise Stores	1,000	1,050	1,050	-50	-50
Food Stores	1,200	1,250	1,150	-50	50
Auto Dealers & Service Stations	850	850	800	0	50
Eating & Drinking Places	4,400	4,500	3,900	-100	500
Other Retail Trade	2,600	2,700	2,500	-100	100
FINANCE, INSURANCE, & REAL ESTATE	1,900	1,900	2,000	0	-100
SERVICES	14,500	14,500	14,100	0	400
Hotels & Other Lodging Places	1,850	1,950	1,700	-100	150
Business Services	3,400	3,400	3,200	0	200
Health Services	3,500	3,500	3,400	0	100
Social Services	750	750	700	0	50
Other Services	5,000	4,900	5,100	100	-100
TOTAL GOVERNMENT	22,200	22,300	21,800	-100	400
FEDERAL GOVERNMENT	1,500	1,600	1,500	-100	0
STATE & LOCAL GOVERNMENT	20,700	20,700	20,300	0	400
State Government 3/	16,600	16,500	16,400	100	200
Local Government	4,100	4,200	3,900	-100	200

1/ In accordance with the CES Manual, those published cells with less than 2,000 employees are rounded to nearest 50. Those published cells with more than 2,000 employees are rounded to 100.
2/ Estimates include all full-time and part-time wage and salary workers who worked or received pay during the pay period which included the 12th day of the month. Self-employed, family workers, household workers and members of the Armed Forces are excluded.
3/ Includes employees of Los Alamos National Laboratory.

AVERAGE HOURS AND EARNINGS
Hours and Earnings of Production, Construction and Nonsupervisory Employees
(Prepared in cooperation with the U. S. Bureau of Labor Statistics)

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
NEW MEXICO	JAN 1989	DEC 1988	JAN 1988	JAN 1989	DEC 1988	JAN 1988	JAN 1989	DEC 1988	JAN 1988
MINING	$508.41	$549.12	$511.93	41.2	44.0	44.4	12.34	12.48	11.53
CONSTRUCTION	$428.54	$446.94	$399.67	38.4	39.0	36.6	11.16	11.46	10.92
MANUFACTURING	$357.47	$368.52	$358.09	40.9	41.5	40.6	8.74	8.88	8.82
Durable Goods	$380.70	$395.28	$373.77	42.3	43.2	41.3	9.00	9.15	9.05
Nondurable Goods	$299.95	$302.88	$317.81	37.4	37.3	38.9	8.02	8.12	8.17
COMMUNICATION & UTILITIES	$570.35	$552.16	$601.39	41.3	40.6	40.8	13.81	13.60	14.74
WHOLESALE & RETAIL TRADE	$207.96	$216.80	$217.98	30.9	32.7	31.5	6.73	6.63	6.92
Wholesale Trade	$373.32	$368.92	$382.57	39.8	40.9	39.4	9.38	9.02	9.71
Retail Trade	$176.37	$188.14	$184.78	29.2	31.2	29.9	6.04	6.03	6.18
BANKING	$242.22	$240.00	$225.00	36.7	37.5	37.5	6.60	6.40	6.00
ALBUQUERQUE MSA	JAN 1989	DEC 1988	JAN 1988	JAN 1989	DEC 1988	JAN 1988	JAN 1989	DEC 1988	JAN 1988
MANUFACTURING	$375.06	$384.21	$381.60	39.9	40.7	40.9	9.40	9.44	9.33
Durable Goods	$394.79	$406.99	$400.75	40.7	41.7	41.4	9.70	9.76	9.68
Nondurable Goods	$310.99	$315.25	$318.67	37.2	37.8	39.1	8.36	8.34	8.15

NOTE: Estimates include all full-time and part-time wage and salary workers who worked or received pay during the pay period which included the 12th day of the month. Self-employed, family workers, household workers and members of the Armed Forces are excluded. The average earnings are "gross" reflecting not only changes in basic hourly and incentive wage rates but also such factors as premium pay for overtime and shift differentials. The work week information relates to the average hours for which pay was received, and is different from standard or scheduled hours due to absenteeism, labor turnover, part time work, overtime work etc.

U.S. CONSUMER PRICE INDEX

Historical data for the CPI series are available from the U.S. Department of Labor by writing to the Bureau of Labor Statistics, 525 Griffin St., Rm. 221, Dallas, TX 75202, or by calling (214) 767-6970.

	Jan. 1989	Dec.1988	Jan. 1988	Percent Change Dec'88-Jan.'89	Jan.'88-Jan.'89
CPI-U	121.1	120.5	115.7	+0.5%	+4.7%
CPI-W	119.7	119.2	114.5	+0.4%	+4.5%

Index Base Year 1982-84 = 100

CPI-U - All Urban Consumers
CPI-W - Urban Wage Earners and Clerical Workers

Source: U.S. Department of Labor, Bureau of Labor Statistics

Area Economic Activity

Albuquerque Area: Presbyterian Healthcare Services laid off 60 full and part-time employees on January 31st. Another 77 employees were offered reassignment and 50 vacancies will remain unfilled. The layoff included administrators as well as food service and supply personnel. According to Richard Barr, president of parent-company Southwest Community Health Services, there were no nurses laid off. The layoff is part of an effort to bring expenditures into line with revenues. Recreational Equipment Inc. (REI) will open a national retail outlet employing 50 full and part-time employees near the Old Town section of Albuquerque in mid March. Denim & Diamonds, a Las Vegas-style country nightclub, opened at the Sandia Plaza shopping center, in the former location of Club Rio. The club will employ close to 100 people. John Jennings, president of Sunwest Bank of Sandoval County, confirmed plans to open a Sunwest Bank branch office in the High Resort area in Rio Rancho. The bank intends to initially employ up to six people of which three will be transferred from the Southern Boulevard location, also in Rio Rancho. Construction of the new bank is anticipated to take approximately 90 days. ClotheSmart, a New York based men's and women's clothing store, is poised to move into the Country Club Plaza on Southern Boulevard in Rio Rancho. The west side's first Drug Emporium opened February 25th in the Coors-Central Shopping center. The chain store specializes in prescription and nonprescription drugs and other health and beauty aids. Winrock Center will be expanding its existing Food Park, adding more food shops and 150 seats. The Food Park may include several national chains. Charter Oak Development Company hopes to open a $4.5 million Taylor Ranch Shopping Center by late this year or early 1990. Site approval for the Taylor Ranch Shopping Center was given by the City Environmental Planning Commission. A $6.5 million shopping center is being developed by Charter Oak Development Company of San Diego at Rio Bravo Square on Coors Boulevard and Rio Bravo Boulevard. Charter Oak plans to open the Rio Bravo Square Shopping Center in late summer. The Social Security Administration could be adding up to up to 300 jobs when the "teleservice" center opens next October. The center will be at the Administration's Data Operation Center and it will be a link to other existing centers across the country. The center would become part of a nationwide, 24-hour-a-day, toll-free telephone service. Pitre Buick/GMC Truck will open in early March near Eagle Ranch Road northwest. The $4 million dealership will have about 35 employees.

Alamagordo Area: Wal-Mart opened for business in early February with about 155 employees. White Sands Missile Range has reported that during the first quarter of Federal Fiscal Year 1989 (Oct.-Dec. 1988) Alamogordo received more than $21 million in Department of Defense contracts. The Cloudcroft School Board has awarded a $2 million contract to Chapparal Builders of Hobbs to construct a new middle school in that mountain community. The marketing director for the Ruidoso Downs Race Track has recently announced a $2 million improvement project which should be finished by May 1989. C.T.L., a recently formed company located near Scott Air Company, is expected to hire up to 25 employees in the next six months to manufacture electronic circuit boards for motors used by Sears. The Alamogordo City Commission has approved a $12 thousand outlay to run sewer and water lines As of early February K-Mart had laid off 20 full and part time employees due to a sales slowdown.

Artesia Area: Tricon-Kent Company has been awarded the contract for completion of construction work at Cottonwood Dam.

Belen Area: The Belen railroad depot will be upgrading operations with a new building, new track, and three new fueling stations. Rio Communities will soon have a new elementary school housing 14 classrooms, a multi-purpose library and media center, kitchen facilities, and ballfields. Construction is set to start in February. In late January, Avonite Corporation opened a facility employing 15 workers, manufacturing a product similar in appearance to granite, marble or onyx. As many as 200 local workers could be hired by Avonite within the next three to four years. The Flight Deck Deli restaurant opened in January at Belen's Alexander Municipal Airport.

Carlsbad Area: The Arby's restaurant chain has announced plans to open a franchise in Carlsbad

within the next six months. Jay Gluck, president of MJG Corp. and the franchisee for Arby's in New Mexico, cited several reasons for selecting Carlsbad, including a bright future for the city and a large demand for an Arby's.

Clovis/Portales Area: Gold Star Dairies began operating in February employing approximately 30 workers and expecting to employ a total of 60 workers at full capacity. Gator Transportation, will be providing trucking services for Gold Star Dairies when the milk plant becomes fully operational. Initially, Gator Transportation will employ 20 people and expects to employ approximately 50 people by year end. Local officials from Clovis and Portales are discussing with Air Force personnel issues arising from the proposed expansion of Cannon Air Force Base. The Base expansion, still subject to Congressional approval, would site 48 additional F-111 aircraft at Cannon. This would mean an addition of some 1,100 military and civilian personnel with associated dependents. Base construction projects worth $60 to $70 million will be undertaken in preparation for the additional personnel and aircraft. Colonel Duke Earls, chief engineer at Cannon, has stated that there will be a need for housing, since the Base will be building some dormitories but no single family housing. Rental housing is another concern, since about 800 enlisted personnel will be brought to Cannon on temporary assignment. As many as 80% of the incoming personnel will be bringing families, placing a substantial burden on local school systems. Local utilities appear able to meet additional demand.

Espanola Area: PAN-AM's proposed sale of its World Services subsidiary will not immediately affect 1,451 employees providing support services to Los Alamos National Laboratories (LANL). PAN-AM's contract with the LANL runs through July 1991, and the company has an option for a five-year extension to 1996. If the unit is sold, the current contract with LANL will remain binding. PAN-AM's contract to provide maintenance and janitorial services to Santa Fe Community College will not be affected either. PAN-AM put the World Services subsidiary on the market to raise funds for financially-struggling PAN-AM World Airways. Officials for PAN-AM have denied rumors that the unit had already been sold, saying that this could take three months, six months or even years.

Farmington Area: Grocery Warehouse, employing approximately 80 workers, opened in mid February at San Juan Plaza North. PNM's contract with San Juan Generating Station will be canceled at the end of May when the current agreement expires. PNM believes the current contract hampers negotiations and that negotiations for a new contract are being discussed.

Grants / Gallup Area: Kerr-McGee has sold the Quivira uranium mine and idled 11 workers. Corrections Corporation of America (CCA), a Nashville, Tenn. based private corrections firm, will operate the women's prison now under construction near Grants. CCA officials are seeking to fill 80 to 100 positions at the new facility. The Western New Mexico Correction Facility (WNMCF) will house male inmates after the female inmates are transferred to the new facility. Mesa Airlines' run from Gallup to Albuquerque will be eliminated. Friendship Services Detox Center closed on February 14, 1989 because of inadequate funding, affecting 13 employees. An official of the Rehoboth McKinley Christian Health Care Services has stated that the parent company will make every effort to absorb these employees.

Hobbs Area: Lea Regional Hospital laid off 19 part and full-time employees of which most were clerical staff. Hopes to rehire them depend on patient load and the local economy.

Las Cruces Area: City officials have accepted a proposed bid for land by B.P. John Furniture Company, moving the furniture company closer to locating in the West Mesa Industrial Park. Further negotiations are pending. The furniture company is expecting to employ approximately 600 people at the plant. Stahmann's Farms Inc., New Mexico's oldest and largest pecan processing plant, will be closing down. The company issued a 60 day notice of shut down. An estimated 150 employees are expected to be laid off as a result of the closing. PTS Office Central opened for business in early February. The company services include faxing, duplicating, binding, and shipping.

Las Vegas Area: The Las Vegas City Council applied for Community Development Block Grant funding to help a company, Deaf No More Inc.

(DNM), manufacture a hearing device. If the grant is approved, DNM intends to hire approximately 15 workers. Fred's Lumber Company has opened a retail lumber and supply store which will employ 5 people year round, with additional employees during the summer months. The Las Vegas Main Street Project has helped building owners design new building facades, paint schemes and awnings, revitalizing the historic downtown area. A Farmington contractor will be working with a Las Vegas crew to install water lines along N.M. State Route 65. The construction of the Developmental Studies and Auxiliary Instructional Services Training Center at Luna Vocational-Technical Institute campus in Las Vegas has been completed. The LVTI staff began to moving into the new building in January.

Raton Area: The sale of Kaiser Coal to Pittsburg & Midway Coal mining (P&M) company became effective February 1st. P&M resumed activity at York Canyon mine with approximately 70 miners.

Roswell Area: Sly-Duds, a garment manufacturing company, opened at the Roswell Industrial Air Center.

Ruidoso Area: Sun World Savings, formerly Otero Savings and Loan Association institution, opened at 2713 Sudderth Drive. Sun World will operate in Ruidoso as a full-service bank.

Santa Fe Area: Ken Johns is closing his Santa Fe Auto Mart dealership and is considering the sale of the other. Ken Johns is shutting down the Santa Fe Auto Mart,a used car dealership. Tony Bull, the chief financial officer for Ken Johns Automotive Group, John's Albuquerque based holding company, stated that he was discussing the possibility of buying Ken Johns Santa Fe Nissan dealership. KNMZ, Channel 2, cut seventeen staff members, ranging from production assistants to creative services manager, in a cost trimming move. The company continues to employ about 25 employees and is building a new studio on St. Francis Drive. Diego's Cafe, a family owned restaurant specializing in New Mexican cuisine, will open in April in the DeVargas Center Mall. Enchanting Land, a youth book and learning tools store, will open in early March in La Esquina Building.

Silver City Area: Klinger Constructors Inc. of Albuquerque has been named general contractor for the construction of the new Wal-Mart Store. Grand opening of the new Wal-Mart is scheduled for this fall, and the store expects to employ approximately 120 area residents. Phelps Dodge's Tyrone Branch will be able to operate somewhat longer than many had expected, as a new mining plan will allow operations to continue through the end of 1991. Forecasts of strong copper demand have encouraged the company to mine a lower grade ore body on the western slopes of the open pit mine. Many circumstances could adversely affect the plan, including a decline in copper prices and problems in mining and extracting the copper.

Taos Area: First State Bank of Taos has reopened under new ownership. Taos Ski Valley laid off part of their Christmas staff, bringing the number of employees to about 400. Further layoffs are not expected for 30 days. The new Holiday Inn, Don Fernando De Taos, plans to hire 62 people during the latter part of March. The inn is currently under construction. A New Orleans developer plans to break ground this spring for a new $10 million, 40-bed, for-profit hospital in Taos.

Tucumcari Area: Furr's supermarket celebrated a grand opening in Tucumcari. Alta Construction is working on the Tucumcari Boulevard project.

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New Mexico Workforce 2000

The New Mexico Department of Labor has completed a new publication, New Mexico Workforce 2000, which details the evolving changes in the state's workforce. A copy of this publication can be obtained at no charge by calling or writing to NMDOL, Economic Research, P.O. Box 1928, Albuquerque, NM, 87103, tele. # (505) 841-8645. Those of you who have already received a copy should be advised that we have updated a chart (on page 13 of the publication) showing state population by ethnic and age groups. You may receive this updated chart by writing or calling NMDOL, Economic Research (address & telephone # listed above).

NEW MEXICO AND ALBUQUERQUE MSA
1988 CIVILIAN LABOR FORCE ESTIMATES
BY MONTH AND ANNUAL AVERAGE

NEW MEXICO

MONTH	CIVILIAN LABOR FORCE	EMPLOYMENT	UNEMPLOYMENT	UNEMPLOYMENT RATE
JANUARY	673,347	616,951	56,396	8.4%
FEBRUARY	673,755	617,120	56,635	8.4%
MARCH	683,034	624,880	58,154	8.5%
APRIL	689,058	631,119	57,939	8.4%
MAY	684,734	627,994	56,740	8.3%
JUNE	707,918	642,037	65,881	9.3%
JULY	696,492	640,365	56,127	8.1%
AUGUST	704,976	650,011	54,965	7.8%
SEPTEMBER	692,352	641,932	50,420	7.3%
OCTOBER	694,325	646,819	47,506	6.8%
NOVEMBER	687,705	643,753	43,952	6.4%
DECEMBER	680,304	637,018	43,286	6.4%
ANNUAL AVERAGE	689,000	635,000	54,000	7.8%

ALBUQUERQUE MSA 1/

MONTH	CIVILIAN LABOR FORCE	EMPLOYMENT	UNEMPLOYMENT	UNEMPLOYMENT RATE
JANUARY	256,999	241,650	15,349	6.0%
FEBRUARY	259,150	243,666	15,484	6.0%
MARCH	262,260	246,393	15,867	6.1%
APRIL	263,932	248,185	15,747	6.0%
MAY	263,049	247,035	16,014	6.1%
JUNE	270,666	251,303	19,363	7.2%
JULY	265,976	248,955	17,021	6.4%
AUGUST	268,542	251,966	16,576	6.2%
SEPTEMBER	266,820	251,339	15,481	5.8%
OCTOBER	265,980	251,556	14,424	5.4%
NOVEMBER	263,397	250,147	13,250	5.0%
DECEMBER	263,267	250,670	12,597	4.8%
ANNUAL AVERAGE	264,170	248,572	15,598	5.9%

1/ Metropolitan Statistical Area - Bernalillo County

CIVILIAN LABOR FORCE ESTIMATES BY AREA
1988 ANNUAL AVERAGES

AREA	CIVILIAN LABOR FORCE	EMPLOYMENT	UNEMPLOYMENT	UNEMPLOYMENT RATE
STATEWIDE	689,000	635,000	54,000	7.8%
ALBUQUERQUE MSA 1/	264,170	248,572	15,598	5.9%
LAS CRUCES MSA 2/	55,866	51,757	4,109	7.4%
SANTA FE MSA 3/	66,798	63,363	3,435	5.1%
Catron	1,173	1,020	153	13.0%
Chaves	23,480	21,978	1,502	6.4%
Cibola	9,222	8,145	1,077	11.7%
Colfax	6,727	5,788	939	14.0%
Curry	16,483	15,182	1,301	7.9%
De Baca	920	822	98	10.7%
Eddy	19,999	18,103	1,896	9.5%
Grant	10,458	9,529	929	8.9%
Guadalupe	1,643	1,372	271	16.5%
Harding	410	344	66	16.1%
Hidalgo	2,522	2,361	161	6.4%
Lea	22,657	20,941	1,716	7.6%
Lincoln	6,667	6,180	487	7.3%
Luna	6,060	5,268	792	13.1%
McKinley	17,904	15,788	2,116	11.8%
Mora	1,299	864	435	33.5%
Otero	18,749	17,180	1,569	8.4%
Quay	4,701	4,330	371	7.9%
Rio Arriba	13,802	11,506	2,296	16.6%
Roosevelt	7,178	6,758	420	5.9%
Sandoval	27,138	25,120	2,018	7.4%
San Juan	32,992	28,959	4,033	12.2%
San Miguel	9,923	8,736	1,187	12.0%
Sierra	2,521	2,372	149	5.9%
Socorro	6,095	5,532	563	9.2%
Taos	10,078	7,769	2,309	22.9%
Torrance	3,511	3,135	376	10.7%
Union	1,955	1,816	139	7.1%
Valencia	15,899	14,410	1,489	9.4%

1/ Metropolitan Statistical Area - Bernalillo County

2/ Metropolitan Statistical Area - Dona Ana County

3/ Metropolitan Statistical Area - Santa Fe and Los Alamos Counties

NEW METHOD OF CALCULATING STATE EMPLOYMENT AND UNEMPLOYMENT EFFECTIVE JANUARY 1989

The U.S. Department of Labor, Bureau of Labor Statistics (BLS) has revised the methodology used to estimate employment and unemployment for most states across the country. The new method replaces procedures in use, largely unrevised, since the 1960's. The new method, which will yield more precise estimates and automatically adjust to structural changes in a State's economy, is being introduced simultaneously in 39 states and the District of Columbia.

Background

Labor force estimates are produced monthly for all states using surveys and procedures mandated and validated by the U.S. Department of Labor, Bureau of Labor Statistics. For the nation and the 11 most populous states, monthly labor force estimates are derived directly from the Current Population Survey (CPS), a BLS survey of approximately 60,000 households across the country, and this will continue unchanged. For the remaining 39 states (including New Mexico) and the District of Columbia, the CPS sample only yields sufficiently reliable annual average estimates of the labor force, not monthly; therefore, another procedure has to be used to derive monthly estimates for these areas - this is the methodology which has now changed.

Since the early 1960's, labor force estimates for each state were computed by each state's employment security agency using a procedure known as the Handbook Method. This procedure was based on two major data sources; (1) the Current Employment Statistics (CES) survey, an employer payroll survey of employment, and (2) Unemployment Insurance (UI) administrative data, such as the number of UI claimants, exhaustees, and disqualified. Estimates for groups not adequately measured by the above data sources were developed using data from the decennial census, and historical or larger-area relationships. To derive total employment and unemployment, the individual estimates of the various subgroups were summed. The estimates of unemployment developed in this manner were not strictly comparable from state to state, because they were based on data from UI programs which differ from state to state. To ensure comparability across states and with the national unemployment measures - a requirement for purposes of analysis and for equity in the distribution of Federal funds - the monthly "handbook" estimates for each state were then adjusted to the CPS levels for the state, using a 6-month moving average of CPS data. Once annual average CPS data was available, the monthly employment and unemployment estimates for the year were adjusted to these benchmark numbers, using a mathematical approach to distribute the difference between the CPS annual average and the average of the estimates prepared using the "handbook" method.

This method is deficient in a number of respects, the most important of which are the relatively small proportion of the total unemployed accounted for by UI claimants and difficulties in estimating groups not covered by UI.

New Method

The new method uses variable coefficient regression models developed by BLS through extensive research involving both federal and state groups. Although the new method uses basic data similar to those used in the "handbook" method, it differs in a number of important ways. The new method is based on the individual relationships of the data series for each state over time. Over 10 years of data from these sources have been collected to build regression models that are resistant to large random sample errors in the CPS and are flexible enough to reflect the individual features of each state's economy. The models for each state were developed using a uniform set of rules and recognized statistical criteria. While based on past relationships, the models have a built-in self-tuning mechanism that allows them to reflect structural changes in a state's economy as the changes occur. Two estimating equations are used for each state, one for employment and one for the unemployment rate.

The employment model uses the CES estimate of nonfarm wage and salary jobs and data from the CPS on employed persons not included in the CES survey. The latter includes agricultural workers, and self-employed, unpaid family, and private household workers. In some states, seasonal variables are used to reflect CES/CPS differences such as the treatment of persons on unpaid absences.

The unemployment rate model uses data on UI claimants who have no earnings from employment to represent most of the experienced unemployed. An employment-to-population ratio is used to reflect both the business cycle and the experienced unemployed not covered by the UI data. A variable is used to represent unemployed new entrants and reentrants to the labor force. In some states, a seasonal entrant factor is used to adjust for the labor force increase which occurs each June due to the end of the school year.

New Mexico labor force estimates are revised back through 1980

Labor force, total employment, unemployment, and the unemployment rate estimates for New Mexico and all substate areas have been revised back through January 1980 using the new regression-based methodology. Data tables containing these revisions can be obtained at no charge by telephoning or writing the New Mexico Department of Labor, Bureau of Economic Research and Analysis (address and phone number on front page of this newsletter).

How much of a change will the new procedure mean ?

The new procedure does not change the annual average employment and unemployment estimates, only the within year, seasonal movement of the data is affected. In New Mexico, the new methodology generally has little effect on the total employment estimates; however, the unemployment estimates do show a more volitile, within-year, seasonal pattern. One particular month, June, is affected more than any other. Unemployment increases significantly more in June under the new procedures. Most of the June jump in unemployment is the result of the influx of youth entering the labor market seeking summer work. A larger June increase in unemployment is probably more accurate due to New Mexico's relatively large youth population.

The charts on the following page compare the total employment and unemployment estimates for New Mexico produced by the two methodologies.

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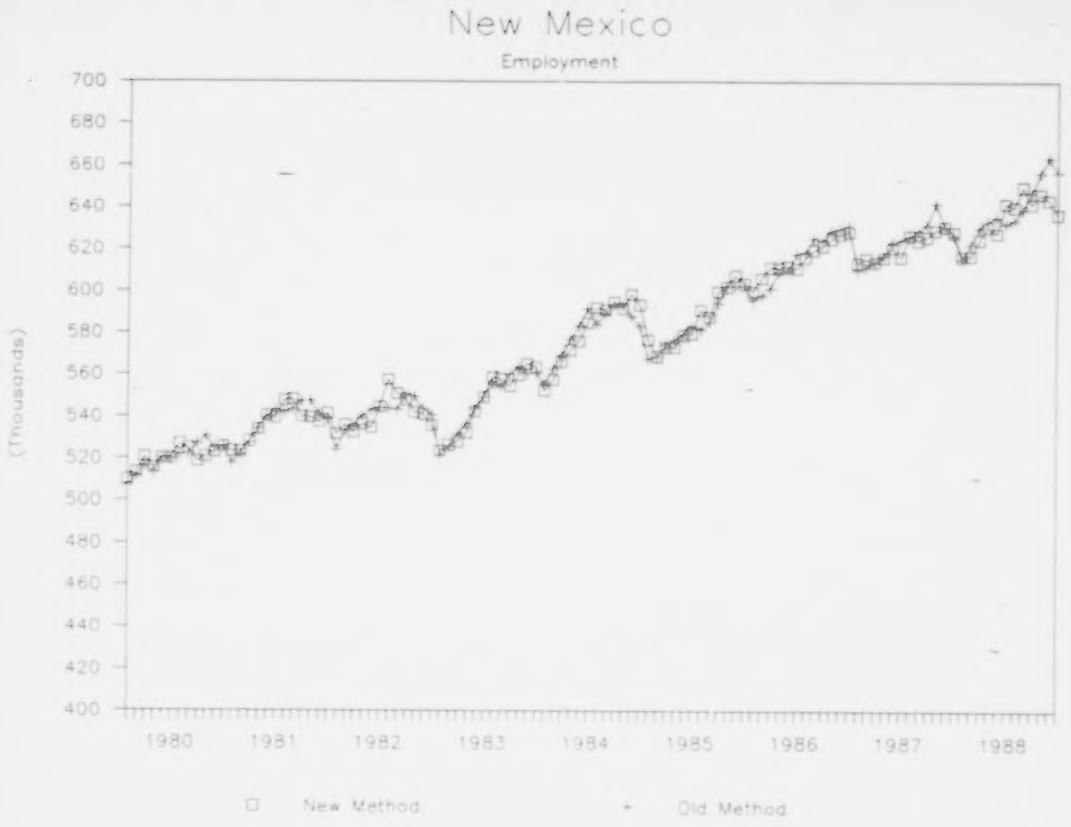
(Continued from page 1)

4,100 jobs were lost between December and January this year, compared to 4,800 last year. Other movement of interest occurred in the manufacturing sector, as employment fell by about 400 for the month, about 100 more than last year. Manufacturing employment fell by 200 in the food subsector and by 70 in printing and publishing. In the government sector, a rather large change occurred as state government employment declined by 3,100 positions since December, due mostly to temporary semester break reductions at institutions of higher learning. A smaller decline in employment at New Mexico colleges and universities has typically been experienced at this time of year. Small declines were also seen in the mining sector (due mainly to a decline in the oil and gas subsector) and in the transportation, communications and public utilities sector. The decline in mining seems in line with prior experience, as does the decline in TCPU employment. The services sector added 400 positions from December to January this year while last year 800 positions were lost. Although educational services declined by 200 and business services by 500, the amusement and recreation subsector increased by 1,300 from December 1988 as winter recreational facilities hired staff. Services is leading all major industries in job growth with 6,100 or almost five percent growth over the last year.


New Mexico
Employment
(Thousands)
700
680
660
640
620
600
580
560
540
520
500
480
460
440
420
400
1980
1981
1982
1983
1984
1985
1986
1987
1988
New Method
Old Method

New Mexico
Unemployment Rate
12.0%
11.0%
10.0%
9.0%
8.0%
7.0%
6.0%
1980
1981
1982
1983
1984
1985
1986
1987
1988
New Method
Old Method

NEW MEXICO LABOR FORCE ESTIMATES 1/

	PRELIMINARY JANUARY 1989				REVISED DECEMBER 1988				REVISED JANUARY 1988			
	Labor Force	Empl.	Unemp.	Rate	Labor Force	Empl.	Unemp.	Rate	Labor Force	Empl.	Unemp.	Rate
STATEWIDE	673,114	625,213	47,901	7.1%	680,304	637,018	43,286	6.4%	673,347	616,951	56,396	8.4%
ALBUQUERQUE MSA 2/	258,005	244,040	13,965	5.4%	262,902	250,310	12,592	4.8%	256,999	241,650	15,349	6.0%
LAS CRUCES MSA 3/	53,786	50,356	3,430	6.4%	54,722	51,414	3,308	6.0%	54,331	50,392	3,939	7.3%
SANTA FE MSA 4/	64,522	61,124	3,398	5.3%	64,633	61,909	2,724	4.2%	64,975	61,287	3,688	5.7%
Catron	1,107	953	154	13.9%	1,122	1,025	97	8.6%	1,131	907	224	19.8%
Chaves	23,500	22,195	1,305	5.6%	23,680	22,498	1,182	5.0%	22,738	21,073	1,665	7.3%
Cibola	9,153	8,215	938	10.2%	8,915	8,113	802	9.0%	9,274	8,103	1,171	12.6%
Colfax	6,231	5,295	936	15.0%	6,042	5,342	700	11.6%	6,274	5,510	764	12.2%
Curry	16,315	15,041	1,274	7.8%	16,448	15,379	1,069	6.5%	16,361	14,867	1,494	9.1%
De Baca	878	811	67	7.6%	883	810	73	8.3%	874	764	110	12.6%
Eddy	20,005	18,214	1,791	9.0%	20,043	18,492	1,551	7.7%	19,422	17,450	1,972	10.2%
Grant	10,093	9,129	964	9.6%	10,223	9,437	786	7.7%	10,354	9,383	971	9.4%
Guadalupe	1,651	1,410	241	14.6%	1,613	1,375	238	14.8%	1,636	1,302	334	20.4%
Harding	387	350	37	9.6%	417	358	59	14.1%	423	350	73	17.3%
Hidalgo	2,544	2,405	139	5.5%	2,500	2,394	106	4.2%	2,471	2,299	172	7.0%
Lea	22,905	20,973	1,932	8.4%	22,605	21,154	1,451	6.4%	22,215	20,463	1,752	7.9%
Lincoln	6,384	5,948	436	6.8%	6,604	6,178	426	6.5%	6,108	5,556	552	9.0%
Luna	5,874	5,223	651	11.1%	5,841	5,223	618	10.6%	5,944	5,060	884	14.9%
McKinley	17,797	15,965	1,832	10.3%	17,647	15,888	1,759	10.0%	17,927	15,407	2,520	14.1%
Mora	1,050	776	274	26.1%	1,172	825	347	29.6%	1,344	869	475	35.3%
Otero	18,882	17,277	1,605	8.5%	18,713	17,379	1,334	7.1%	18,435	16,862	1,573	8.5%
Quay	4,734	4,434	300	6.3%	4,774	4,484	290	6.1%	4,541	4,126	415	9.1%
Rio Arriba	13,152	11,128	2,024	15.4%	13,455	11,612	1,843	13.7%	13,898	11,252	2,646	19.0%
Roosevelt	6,842	6,419	423	6.2%	7,390	7,082	308	4.2%	7,197	6,747	450	6.3%
Sandoval	27,177	25,331	1,846	6.8%	27,219	25,518	1,701	6.2%	26,777	24,685	2,092	7.8%
San Juan	31,465	28,154	3,311	10.5%	31,970	28,888	3,082	9.6%	32,801	28,235	4,566	13.9%
San Miguel	9,216	8,209	1,007	10.9%	9,576	8,654	922	9.6%	9,388	8,028	1,360	14.5%
Sierra	2,508	2,402	106	4.2%	2,519	2,403	116	4.6%	2,358	2,206	152	6.4%
Socorro	5,878	5,478	400	6.8%	5,896	5,491	405	6.9%	6,009	5,399	610	10.2%
Taos	9,668	8,313	1,355	14.0%	9,669	7,893	1,776	18.4%	10,481	8,121	2,360	22.5%
Torrance	3,407	3,088	319	9.4%	3,438	3,126	312	9.1%	3,360	2,914	446	13.3%
Union	1,999	1,867	132	6.6%	1,948	1,850	98	5.0%	1,894	1,749	145	7.7%
Valencia	15,999	14,690	1,309	8.2%	15,725	14,514	1,211	7.7%	15,407	13,935	1,472	9.6%

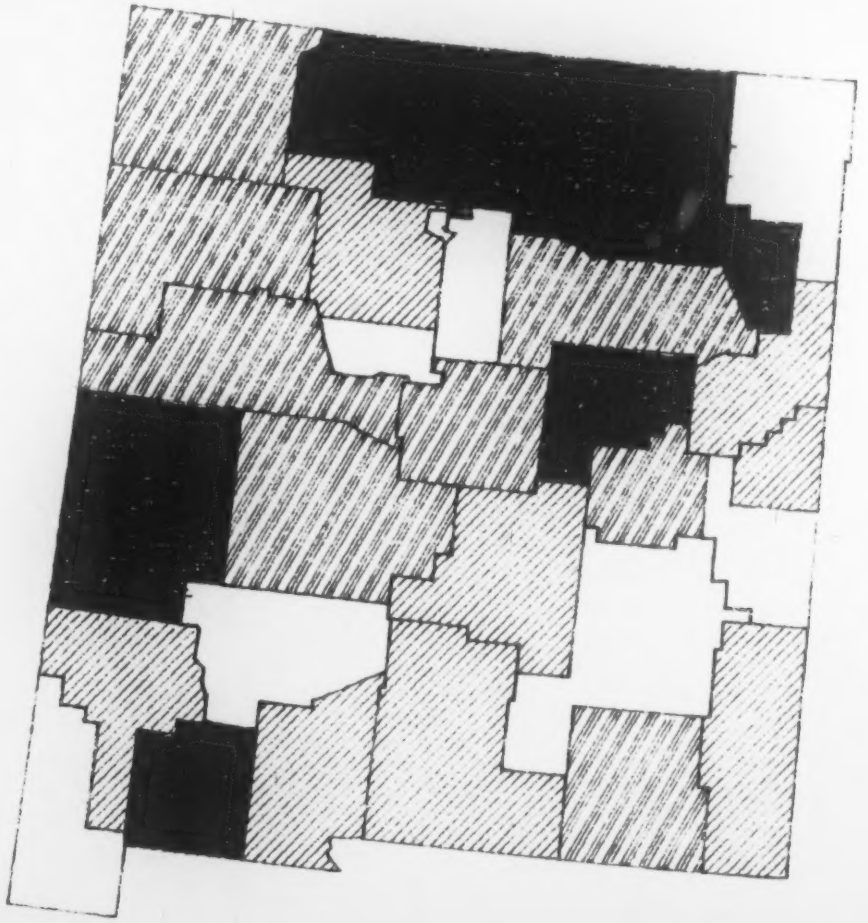
1/ All estimates are made in strict accordance with methodology provided by the U. S. Department of Labor, Bureau of Labor Statistics

2/ Metropolitan Statistical Area - Bernalillo County

3/ Metropolitan Statistical Area - Doña Ana County

4/ Metropolitan Statistical Area - Santa Fe and Los Alamos Counties

New Mexico
Unemployment Rates by Area
1988 Annual Average



Legend

- 5.1 to 7.3
- 7.3 to 9.2
- 9.2 to 13
- 13 to 34.5

New Mexico Department of Labor
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_____ New Mexico, MSA, and County - Civilian Labor Force, Employment, Unemployment, and Unemployment Rate. Please specify year(s) requested _____.

_____ New Mexico - Nonagricultural Wage and Salary Employment (1940 - 1988)

_____ Albuquerque - Nonagricultural Wage and Salary Employment (1975 - 1988)

_____ Las Cruces - Nonagricultural Wage and Salary Employment (1974 - 1988)

_____ Santa Fe - Nonagricultural Wage and Salary Employment (1980 - 1988)

_____ New Mexico - Hours and Earnings Estimates

_____ Albuquerque - Hours and Earnings Estimates

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